

**AMENDED SECOND
MEMORANDUM OF UNDERSTANDING**

California High Speed Rail Authority - San Joaquin Regional Rail Commission

This Amended Memorandum of Understanding is entered into on _____, 2013 and is between the California High Speed Rail Authority and the San Joaquin Regional Rail Commission regarding planning and development for certain passenger rail activities in the Region described in Section 1.4, below.

1. Definitions. As used in this Amended Second Memorandum of Understanding, the following words have the following meanings:

1.1. Authority. "Authority" means the California High Speed Rail Authority.

1.2. HST. "HST" means the High Speed Train system now being planned by the Authority.

1.3. Parties. "Parties" means the Authority and SJRRC and Party means either one of them.

1.4. Region. "Region" means the Altamont Rail and the High Speed Rail Corridor between Sacramento and Merced.

1.5. Regional Service. "Regional Service" means passenger rail service, including commuter and intercity service serving the Region or a portion of the Region but not the HST service to be provided by the Authority.

1.6. Amended Second MOU. "Amended Second MOU" means this agreement.

1.7. SJRRC. "SJRRC" means the San Joaquin Regional Rail Commission, a California joint powers agency consisting of the Cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton, and Tracy and the County of San Joaquin.

2. Common Issues. The Parties to this Memorandum of Understanding share the common understanding that is stated below:

2.1. Plan and Design. The Authority is responsible for preparing a plan and design for the HST system, conducting environmental studies and obtaining necessary permits, and undertaking the construction and operation of a high-speed train passenger network in California. Included in the Authority's work is planning for HST service between Sacramento

and Merced. Additionally, the Authority is working with SJRRC to improve the current ACE service which will serve as a feeder to the statewide HST system. The Authority will be acting as a lead agency in preparing project level environmental impact reports/environmental impact statements ("EIRs/EISs") for high-speed train service in the Sacramento to Merced portion of the Region. The SJRRC will be acting as a lead agency in preparing EIRs/EISs for Regional Service improvements in the Altamont Corridor and to connect the ACE service to downtown Merced.

2.2. Improvement of ACE Service. The Altamont Corridor Express service (ACE), which is managed and operated by the SJRRC, presently provides commuter rail service in the Altamont Rail Corridor between Stockton and San Jose. SJRRC has been studying and implementing a wide range of strategies and solutions to improve the speed and reliability of the ACE trains and introduction of intercity trains. These include seeking dedicated passenger tracks/right-of-way. SJRRC in conjunction with others is also investigating extending Regional Service between Sacramento and Merced.

2.3. Regional Service Sacramento-Merced. SJRRC has entered into a Memorandum of Understanding and is currently exploring with a group of local and regional agencies from the Counties of Sacramento, San Joaquin, Stanislaus, and Merced who together with SJRRC are pursuing establishing Regional Service between Sacramento and Merced or within portions of the Route which could operate in conjunction with the Authority's HST service.

2.4. Final Decision on Los Angeles - San Francisco Route. No activity contemplated by this MOU will limit or at all affect the ability of the Authority to select a final route between the Central Valley and the Bay Area.

2.5. Altamont Rail Corridor Partnership. As a complement to the statewide HST services, the Authority is pursuing a partnership with local and regional agencies and transit providers to propose and develop a joint-use passenger rail infrastructure project in the Altamont Rail Corridor as advocated in MTC's approved "Regional Rail Plan for the San Francisco Bay Area." Regional Service will require regional investment for additional infrastructure needs and potentially need operational subsidies. The Authority is coordinating its high-speed rail plans in the Altamont Pass corridor with local and regional governments for potential joint-use infrastructure and pursuit of improved and expanded Regional Service. The Authority intends to work in partnership with SJRRC and other agencies to secure local, state, federal, and private

funding to develop improved rail service and joint-use infrastructure in the Altamont Rail Corridor.

2.6. Service Over Altamont. The Altamont Rail Corridor could provide competitive travel times between Sacramento/Northern San Joaquin Valley and the Bay Area and is supported by the Central Valley Area because of its potential for serving travel between these markets. To lay the groundwork for a possible future coordination and potential joint-use infrastructure for Regional Service and HST service on the Altamont Rail Corridor, the Authority is working with SJRRC, San Joaquin Council of Governments, Stanislaus County, California Partnership for the San Joaquin Valley, the Tri-Valley Regional Rail Policy Working Group, Alameda County Congestion Management Agency, Caltrain, Capitol Corridor, Metropolitan Transportation Commission, and the Bay Area Rapid Transit and others to get Altamont Regional Rail improvements identified in the update to the 2035 Regional Transportation Plan (RTP) and funds programmed in the 2035 RTP and RTIP.

3. Amended Second MOU. The Second Memorandum of Understanding between the Parties entered into during June of 2011 is terminated and replaced in full by this Amended Second MOU.

4. Cooperation and Consultation. The Parties agree to continue to cooperate fully in their respective work in planning and developing HST and Regional Service in the Region. As work proceeds, the Parties agree to consult with each other frequently. It is the Parties' shared objective to enhance transportation opportunities for the public in the Region.

5. Technical Studies and EIRs/EISs. The Parties agree to continue to work cooperatively and pursue the preparation of the Authority's and SJRRC's technical studies and the program and project level EIRs/EISs for the Region, and other directly related planning and project development activities, and to further consideration of joint use passenger improvements for Regional Service and HST within the Region.

6. Principles and Objectives. The Parties agree to the following general planning principles and shared objectives:

6.1. Dedicated Right-of-Way. The shared ultimate objective is a dedicated right-of-way for passenger HST and Regional Service.

6.2. BART Connection. Connection opportunities with BART and other local transit networks in the Region will be phased to the extent appropriate and feasible and in

particular an intermodal connection between Regional Service and BART within the Altamont Rail Corridor will be pursued.

6.3. Connection. The Altamont Rail Corridor and the HST Corridor linking Merced and Sacramento will be connected in the San Joaquin Valley.

6.4. Service. Ultimately, all segments in the Region will be fully grade separated, and electrified, so that all segments in the Region will be suitable for operation of lightweight Regional Service trainsets and HST trainsets.

6.5. Phased Improvements. Improvements will be phased so that in the near term the ACE service can continue to be provided using standard weight passenger consists. SJRRC's initial EIR/EIS work and planning will focus on improving and extending ACE service to downtown Modesto and then to downtown Merced to meet with the northern terminus of the Initial Operating Segment of the HST system. SJRRC's "ACEforward" workplan is provided as Attachment "A". This work will be consistent with, and carries out a portion of the connectivity to the Altamont Corridor identified in the Authority's Revised 2012 Business Plan.

7. Sharing of Results. The Parties agree that the purpose of this Amended Second MOU is to continue and to expand cooperation among the Parties. To this end, the Parties agree to share the results of their work, including technical studies, and to confer at regular and frequent intervals. Among other things, the Parties will consult one another with regard to the possibilities of shared use of right-of-way, coordination of operations, and joint development of any shared railway infrastructure.

8. Public Awareness. Each Party agrees to encourage public awareness of and involvement in the environmental review processes in which the Parties are engaged.

9. Existing Constraints. The Parties recognize that realistic planning for the future of the Region requires recognition of existing constraints along these corridors and also requires recognition of the need for cooperation and coordination among all of the agencies which have responsibilities to address public transportation needs along these corridors.

10. Each Party to Carry Out Its Own Responsibilities. Each Party intends to use the products of the technical studies consistent with its respective authority and to the maximum extent possible. The Parties recognize that under state and federal law, any party preparing an environmental document has certain obligations and responsibilities with respect to the preparation of that document, and with respect to intermediate decisions which must be made

in the course of preparation of the document. The Parties further recognize that there are obligations and responsibilities which cannot be delegated or assigned by the preparing party to someone else or to another agency. Nothing in this Amended Second MOU is intended to affect those obligations and responsibilities, nor to affect in any way which is contrary to the law the decision-making responsibilities of any Party to this Amended Second MOU. Each Party to this Amended Second MOU is responsible for making its own determination as to the usefulness or as to the propriety of its use of or reliance upon the work product of any other Party to this Amended Second MOU. It is not intended by this Amended Second MOU that any Party to this Amended Second MOU represents or warrants that its work product is sufficient for the purposes to which another Party may wish to apply that work product. This Amended Second MOU does not reduce, expand, or transfer, in any way any of the statutory or regulatory authorities or responsibilities of any of the Signatories.

11. Series. This Amended Second MOU is the second in a series of agreements, each of which is expected to be more specific as planning work progresses and becomes more focused. In addition, this Amended Second MOU itself is not intended to remain unchanged, but may evolve in the future as may be warranted by circumstances. All or portions of this memorandum may be modified to accommodate the needs of the Parties as planning work progresses, either through direct amendment of this Amended Second MOU or through supplemental memoranda, as deemed appropriate by the Parties.

12. Funding. The California State Legislature appropriated funds specifically for environmental and design work in the Altamont corridor as part of SB 1029 (Chapter 152, Statutes 2012) in the amount of \$36.43 million. The Authority plans to apply these funds to the planning and environmental work within the Region in cooperation with SJRRC described in part in the attached ACE forward workplan.

13. Cooperative Agreements. The Authority and SJRRC will enter into future cooperative agreements related to the expenditure of these Legislature appropriated funds.

14. Credit. Reimbursement of SJRRC staff time as is currently authorized through a standard agreement with the Authority (HSR12-12). As an alternative, SJRRC staff time can also be credited as part of SJRRC's local contribution to the project. The credit value will be calculated using the staff members hours devoted to the project multiplied by their respective

rate of total compensation. Credit will also be given to dedicated rights-of-way and facilities purchased by SJRRC for use of both HST and Regional Service.

15. Contract. The Authority's "Altamont Corridor – Central Valley to San Francisco Bay Area" contract with AECOM (HSR 08-03) for EIR/EIS, engineering, planning, and other services shall be transferred to the SJRRC effective on the signed date of this Amended Second MOU. This transfer is necessary to expedite SJRRC's EIR/EIS work, maintain continuity, take full advantage of previous work in the Altamont Corridor, and reduce costs.

16. When Effective; Termination. This Amended Second MOU is effective upon execution by both Parties and will continue in effect until and unless terminated by both Parties through mutual agreement or upon thirty (30) days' written notice delivered by a Party seeking to terminate this Amended Second MOU to the other Party.

Jeff Morales
Chief Executive Officer
California High-Speed Rail Authority

Date

Stacey Mortensen
Executive Director
San Joaquin Regional Rail Commission

Date